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Attorneys for the United States

IN THE UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,

Plaintiff,

v.

APPROXIMATELY \$325,690.00 SEIZED
FROM BANK OF AMERICA ACCOUNT
NUMBER 898144223269,

Defendant.

VERIFIED COMPLAINT FOR
FORFEITURE *IN REM*

The United States of America, by and through its undersigned attorney, brings this complaint and alleges as follows in accordance with Supplemental Rule G(2) of the Supplemental Rules for Admiralty or Maritime Claims and Asset Forfeiture Actions:

NATURE OF ACTION

1. This is a civil action *in rem* to forfeit to the United States Approximately \$325,690.00 seized from Bank of America account number 898144223269 (hereafter "defendant funds") involved in violations of wire fraud.

2. The defendant funds were seized by the Federal Bureau of Investigation ("FBI") on or about October 4, 2023, pursuant to a federal seizure warrant. The defendant funds are currently in the custody of the U.S. Marshals Service, Eastern District of California.

JURISDICTION AND VENUE

3. This Court has jurisdiction over an action commenced by the United States under 28 U.S.C. § 1345, and over an action for forfeiture under 28 U.S.C. § 1355(a).

4. This district is a proper venue pursuant to 28 U.S.C. § 1355 and 28 U.S.C. § 1395(a) because the defendant funds were seized in this district.

FACTUAL ALLEGATIONS

5. On August 25, 2023, an individual known as “C.H.” and her son, visited the Sacramento Office of the FBI to report that C.H. had been defrauded out of \$1,057,653.16 by someone imitating her real estate agent, an individual C.H. knew as “S.S.” C.H. was going through the home buying process to purchase a new home in San Diego, California. Pacific Marine Escrow was handling all aspects of the sale between C.H. and the seller; the real estate agent, S.S., was the go-between for C.H. and the escrow company. On August 21, 2023, C.H. received an email from S.S., telling C.H. that escrow’s wiring instructions to complete the purchase had changed due to their bank account undergoing an audit. The email included an attachment which indicated the funds to purchase the home should now be sent to Evolve Bank & Trust, account name Cf Napa, LLC. At the top of the attachment was Pacific Marine Escrow, Inc.’s emblem with a D.B.A. CF NAPA, LLC, beside it. The D.B.A. CF NAPA, LLC portion was in a different font than the emblem. C.H. had previously already gone in person to Charles Schwab to fill out the wire information to send money to escrow. The original wiring instructions from Pacific Marine Escrow instructed C.H. to send the money to City National Bank, account name Pacific Marine Escrow, Inc. Upon receiving this new, fraudulent information, C.H. went back to Charles Schwab and revised the wiring instructions to reflect payment to CF Napa LLC.

6. On August 22, 2023, C.H. sent a wire in the amount of \$1,057,653.16 to CF Napa LLC, at Evolve Bank & Trust. On August 23, 2023, C.H. received another email from S.S. which included a forwarded email from J.K., an escrow assistant at Pacific Marine Escrow, stating that the buyer’s funds were pending on their end and should be deposited in full by the next morning. The email from J.K. to S.S., then forwarded to C.H., was fraudulent and intended to continue the ruse and delay law enforcement involvement.

7. J.K. told the FBI she began to get worried on August 24, 2023, when C.H.’s funds had

not yet arrived in escrow. J.K. facilitated a phone call between C.H. and B.H., a financial consultant at Charles Schwab, and read them the wiring instructions used to close the transaction. The review of the wiring instructions among the group exposed the two different wiring instructions and, ultimately, the fraud committed against C.H.

8. C.H. proceeded to contact S.S. who said she had not sent the August 21 and August 23 emails. S.S. also told C.H. she believed that her email address Xxxxx@rbvrealstate.com had been compromised and, going forward, to use a different email address that identified her real estate brokerage company.

9. On August 25, 2023, C.H. and her son filed a walk-in complaint with FBI Sacramento. After gathering the information, the FBI proceeded to coordinate with the banking institution who received the wired funds from C.H., Evolve Bank & Trust.

10. According to Evolve Bank & Trust, after they received the over \$1 million wire transfer, the account holder immediately moved \$440,000 to a JP Morgan Chase account held by Puentex Strategy Solutions LLC. Evolve Bank & Trust quickly learned of the fraudulent activity and then froze and returned the remaining funds in the account, \$617,595, to C.H., without further dissipation. Prior to the deposit of over \$1 million into the Evolve Bank & Trust account, the account had a zero balance.

11. The FBI contacted JP Morgan Chase who confirmed a \$440,000 wire sent from Evolve Bank & Trust to Puentex Strategy Solutions. Once at JP Morgan Chase, the funds were immediately depleted from the account with two domestic wires to Bank of America account *3269 (\$280,000 and \$67,375) and eight wires to international banks based in Hong Kong, Taiwan, and Shanghai on August 24, 2023. A JP Morgan Chase representative reviewing the account activity described the movement as “weird” because as soon as the funds hit the account, funds were immediately pushed to international banks. The bank account owned by Puentex Strategy Solutions did have other funds in the account other than the fraudulent funds received from Evolve Bank and Trust.

12. Bank of America confirmed that two wires had been received into account number *3269 from Puentex Strategy Solutions, LLC, in the amounts of \$280,000 and \$67,375, totaling \$347,375.00. Prior to the deposit of the two wires into the Bank of America account, the account only held approximately \$30,500.

13. On September 28, 2023, the FBI obtained a federal seizure warrant for Bank of America account number *3269. A federal judge in the Eastern District of California found facts existed to support a probable cause finding that the funds on deposit in the account were proceeds of wire fraud, Case No. 2:23-SW-1007-CKD. Law enforcement executed the seizure warrant for Bank of America account number *3269, seizing the remaining balance of approximately \$325,690.00—the defendant funds.

FIRST CLAIM FOR RELIEF
18 U.S.C. § 981(a)(1)(C)

14. The above paragraphs are incorporated by reference as though fully set forth herein.

15. The United States alleges that the defendant funds were derived from proceeds traceable to an offense constituting a “specified unlawful activity” as defined in 18 U.S.C. § 1956(c)(7), which incorporates the definition of “specified unlawful activity” found in 18 U.S.C. § 1961(1) and are therefore subject to forfeiture to the United States pursuant to 18 U.S.C. § 981(a)(1)(C). Wire Fraud in violation of 18 U.S.C. § 1343, constitutes “specified unlawful activity” as defined in § 1961(1) and 1956(c)(7).

PRAYER FOR RELIEF

WHEREFORE, the United States prays that:

1. Process issue according to the procedures of this Court in cases of actions *in rem*;
2. Any person having an interest in said defendant funds be given notice to file a claim and to answer the complaint;
3. The Court enter a judgment of forfeiture of the defendant funds to the United States; and
4. The Court grant such other relief as may be proper.

Dated: 1/30/2024

PHILLIP A. TALBERT
United States Attorney

By: /s/ Kevin C. Khasigian
KEVIN C. KHASIGIAN
Assistant U.S. Attorney

VERIFICATION

I, Austin Harper, hereby verify and declare under penalty of perjury that I am a Special Agent with the Federal Bureau of Investigation, that I have read the foregoing Verified Complaint for Forfeiture *In Rem* and know the contents thereof, and that the matters contained in the Verified Complaint are true to the best of my knowledge and belief.

The sources of my knowledge and information and the grounds of my belief are the official files and records of the United States, including information supplied to me by other law enforcement officers, as a Special Agent with the Federal Bureau of Investigation.

I hereby verify and declare under penalty of perjury that the foregoing is true and correct.

Dated: 1/31/24

/s/ Austin Harper
AUSTIN HARPER
Special Agent
Federal Bureau of Investigation

(Signature retained by attorney)